The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor concerning in the industrial, legislative and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

Entered as second-class matter September 30, 1912, at the Post Office at Washington, D. C., under the Act of August 24, 1912. Acceptance for mailing at special rate of postage provided for in Sec. 1103, Act of October 3, 1917, authorized July 11, 1918.

Conscience is but the pulse of reason.—Coleridge.

WHOLE NO. 1333 | WILLIAM GREEN, President | WASHINGTON, D. C., SATURDAY, OCTOBER 31, 1936 | FRANK MORRISON, Secretary-Treasurer | VOL. 26, NO. 44

48-Hour Week Voted By Sea Labor Parley

Geneva Maritime Conference Also Favors Vacations with Pay and Compulsory Insurance for Seamen—Recommends Raising Minimum Wage For Seafaring Occupations.

By A. F. of L. News Service.

The Special Maritime Session of the International Labor Conference which convened at Geneva, Switzerland, on October 6 to consider various questions regarding the welfare of seamen, adjourned on October 26 after adopting a number of agreements and recommendations designed to improve seamen's working conditions and reduce the frequency of sea disasters throughout the world.

Six draft agreements favored by the conference will be forwarded to the governments concerned for ratification.

A 48-hour week for sailors in port and a 56-hour week for those working in the pilot house or engine room afloat, is provided by the first agreement which also specifies that ships shall carry crews of officers and men sufficiently large and efficient to guarantee security at sea.

Other draft agreements include:

A compulsory sickness insurance plan for seamen.

A revised draft of the former international agreement raising the minimum age admission for seafaring occupations from 14 to 15 years.

Provision for annual minimum vacations with pay of 14 working days for officers and nine working days for seamen.

A requirement that all captains must possess certificates of efficiency obtained from public authorities on the basis of practical tests.

Placing individual responsibility on shipowners for the treatment of seamen falling sick or those injured in line of duty aboard, and for burial of seamen who die as a result of such sickness or injuries.

The conference also adopted two recommendations, one dealing with the welfare of seamen in port and the second with the hours of work and rest of crews on certain categories of ships.

Delegates from 28 countries representing around 82 per cent of the world's shipping tonnage attended the conference. Delegates from each country represented the government, the shipowners, and the seamen.

Robert W. Bruere was the delegate from the United States Government.

American shipowners were represented by R. C. Lee, vice president of Moore & McCormick Co., Inc.

Paul Scharrenberg, legislative representative of the International Seamen's Union of America and editor of the Seamen's Journal, represented American seamen.

The government delegate from the United States was assisted by six advisers, the shipowners' delegate by one adviser, and the seamen's delegate by two advisers.

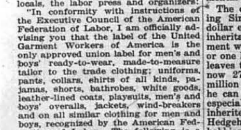
IMPORTANCE OF CLOTHING BEARING UNITED GARMENT WORKERS LABEL STRESSED

American Federation of Labor Executive Council Lists Articles on Which the U. G. W. Label Is the Only One Recognized by the A. F. of L.

By A. F. of L. News Service.

Washington, D. C.—William Green, president of the American Federation of Labor, sent the following letter regarding the union label of the United Garment Workers of America to national and international unions, city central bodies, departments, directly affiliated locals, the labor press and organizers:

"In conformity with the instructions of the Executive Council of the American Federation of Labor, I am officially advising you that the label of the United Garment Workers of America is the only approved union label for men's and boys' ready-to-wear, made-to-measure tailor to the trade clothing; uniforms, pants, collars, shirts of all kinds, pajamas, shorts, bathrobes, white goods, leather-lined coats, playsuits, men's and boys' overalls, jackets, wind-breakers and on all similar clothing for men and boys, recognized by the American Federation of Labor. The following is a reproduction of this label:



"The Executive Council calls upon the officers and members of organizations affiliated with the American Federation of Labor to recognize this label only in the purchase of clothing as herein described and to demand all clothing bearing this label when purchasing clothing upon which the Label should appear.

"By following out these instructions as to purchasing only the label in request you will be rendering assistance to organizations affiliated with the American Federation of Labor and in addition you will make a contribution to the American Federation of Labor itself.

"The Executive Council most urgently and earnestly appeals to the officers and members of the American Federation of Labor to refuse to purchase any United Garment Workers of America label and to conform to the official request and instructions herein submitted."

Ornburn to Discuss Union Label And the Merchant in Broadcast

Washington, D. C. (AFLNS).—I. M. Ornburn, secretary-treasurer, Union Label Trades Department of the American Federation of Labor, will deliver an address entitled "Union Label and the Merchant" over the Blue network of the National Broadcasting Company on Thursday, November 5, from 5:45 to 6:00 P. M. (Eastern Standard Time), the Department announced here, adding:

"All members of labor unions are urged to notify their friends by telephone or otherwise to listen in. Please call the attention of your local firms and merchants to this broadcast on the union label, shop card and button."

EDITORIALS

QUEBEC BARS NEW PULP MILLS

Government intervention in the interest of planned production of newsprint and pulp manufacturing is announced by Premier Maurice Duplessis as the policy of the new government of the Province of Quebec, Canada.

The reason for this policy is that the extravagant use of crown forests has encouraged over-production, which the Provincial Government intends to stop by putting a halt to such overextension.

The announcement regarding the new policy was made in connection with a group that wanted from Mr. Duplessis with a plan for building a mill for producing pulp out of which rayon material is made.

Pointing out that there are too many mills already idle, Mr. Duplessis told the promoters that the government "would not consent to permit the construction of any new mills for that kind of material until the existing mills are in operation."

Speaking of the number of mills that had been closed down, Mr. Duplessis added: "It will be noted that there is a wide variance between the people who wish to establish themselves in the newsprint and pulp industry can establish themselves without being necessary to build new mills. Until these mills which are now inoperative are re-opened we will not permit the construction of additional plants.

"Furthermore, we will not permit increases in the capacity of existing mills. We believe that there has been serious overproduction, and this brought about the dire disasters which visited this important industry. To favor the construction of additional mills or to increase the capacity of those now existing would only add to the serious state of overproduction which has resulted."

Hitherto it has been the policy in Quebec as in other sections of Canada and the United States to permit capitalists under the guise of philosophy of free enterprise to build all sorts of manufacturing plants regardless of whether or not they were needed to supply commodities. If overproduction results, cutthroat competition was resorted to with disastrous effects on both owners and employes—the former suffering unprofitable prices and the latter losing their jobs. Frequently bankruptcy and closed mills were the result of this planless production.

Under the policy announced by Mr. Duplessis these speculative endeavors, at least so far as the newsprint and pulp industry is concerned, will be prevented and production of such plant output adjusted to market requirements.

NOT FOR THE COMMONWEALTH

Press dispatches from London convey the information that the campaign to stir up the estate left by Sir John Ellerman, who died in 1933 known as the "richest man in British history," government clerks, following three years of work, believe the dead man's fortune will reach forty million pounds sterling, or about two hundred million dollars at the current rate of exchange.

Sir John was a ship owner, industrialist and real estate man.

No person in any country can accumulate a fortune of this size, or of half this size, or a quarter of this size, by useful work. Such fortunes are always piled up by the exercise of some power over the wealth-producing activities of large numbers of other people, from whom inordinate tolls are collected under rights formally sanctioned by practice, law, and court decisions. They are based on elemental injustice.

The only comforting thing regarding Sir John's two hundred million dollar estate is that under the British inheritance tax system the government will take practically 50 per cent, or one hundred million dollars. This leaves the present Sir John Ellerman, now 27 years of age, one hundred million dollars on the income of which he can undoubtedly live comfortably, especially as he is reported to have inherited his father's simple tastes. Hedgehogs are said to be one of his hobbies—he keeps them as pets.

It is to be hoped that Sir John will appreciate the progressive tendencies of the times regarding labor relations and see to it that all of his numerous employes are among the highest paid workers in Great Britain, with the shortest hours.

Philadelphia Metal Polishers Secure 100% Union Shop Pact

Philadelphia, Pa. (AFLNS).—Following negotiations extending over a period of several weeks a new agreement was entered into between Local Union No. 23, Metal Polishers' International Union, and the employers in the Philadelphia district for a 100 per cent union shop.

The agreement provides for the observance of the 35-hour week from Monday to Friday, inclusive, with not more than eight hours in any one day; a minimum rate of 95 cents per hour, and time and a half for overtime over 36 hours and on Saturdays, with double time for Sundays and holidays.

From 85 per cent to 95 per cent of all those engaged in the metal industries in that area are covered by the agreement.

One interesting feature of the agreement is the provision for labor relations board, composed of an equal number of responsible employers and members of the union, to meet at stated intervals for the purpose of devising ways and means to better the conditions of the trade.

GREEN WARNS WORKERS OF CAMPAIGN AGAINST SOCIAL SECURITY ACT

Visions Danger to Labor's Welfare in Pay Envelope Propaganda Misrepresenting Old-Age Annuities Sponsored By Subversive Employers.

By A. F. of L. News Service.

Washington, D. C.—Aroused by the widespread propaganda carried on by reactionary employers and certain political groups in their pay-envelopes or representation regarding the provisions of the Federal Social Security Act, with special reference to the system of Federal old-age annuities for working men and women, William Green, president of the American Federation of Labor, sent a letter to all state federations of labor, city central bodies and local unions emphasizing the importance of the workers being on their guard against these efforts designed to undermine the measure.

He vigorously defended the Social Security Act, explained its provisions, pointed out that the American Federation of Labor was instrumental in having it enacted, and assured the workers that it will prove a great benefit to them.

Following is the text of Mr. Green's letter:

"There is grave danger that widespread confusion and misunderstanding may occur in the minds of working people and their friends regarding the provisions of the Federal Social Security Act and particularly those sections which relate to annuities and plans for old-age assistance and for the payment of old-age benefits.

"For this reason I deem it necessary to acquaint the officers and members of the American Federation of Labor and their friends with the true facts connected with the payment of Federal old-age benefits.

Benefits Wage Earners

"The wage earners of the nation are the beneficiaries of this Act. Through the application of the provisions they will be permitted to face old age with a feeling of security because under the provisions of Title II of the Social Security Act they will be guaranteed the payment of old-age benefits ranging from $10 to $85 per month.

"These payments will begin January 1, 1942. Moreover, this is not merely an old-age assistance measure, but, instead, a form of old-age insurance, beneficiaries are required to pay a small percentage of their earnings beginning January 1, 1937, which will be matched by the Federal Government out of which future annuities will be paid.

Supervised by Government

"Employers of labor will be required to match the amount paid by the workers into the Federal Treasury. This will be carefully supervised and administered by the Federal Government. Nothing could be more secure than that.

"Through these payments on the part of both employers and employes the worker is helping to create a fund out of which benefits will be paid when he reaches 65 years of age. Should he die before that time the amount of money paid in will be distributed among his heirs and beneficiaries.

Charity Is Eliminated

"It provides a plan by which the worker is enabled to help provide and create his own security for old age. Benefits will be paid as a matter of right. The element of charity is eliminated.

"The plan is a simple one. Summing up, it provides that wage earners in industry and their employers shall, starting with January 1, 1937, begin to create an annuity fund out of which old-age benefits will be paid the workers when they reach 65 years of age. It will be held in trust by the Federal Government.

Favored by Labor

"Nothing could be offered as a more sure and safer guarantee of the protection of the fund than to have it held in trust and secure by the Federal Government. It is similar to the Retirement Act now in effect for government employes.

"The American Federation of Labor favored the enactment of this law. It supported it when it was passed by Congress. It provides for the payment of old-age benefits and enables workers to retire on an annuity when they reach 65 years of age. This is a form of legislation for which we have long petitioned and prayed for during many years.

"I am bringing these facts to you free from bias of any kind and for no other purpose than to acquaint you with the truth relating to the provisions of the Social Security Act."

NEW PROFIT-SHARING SCHEME

By A. F. of L. News Service.

A new profit-sharing scheme, called a "labor dividend plan," has been devised by the officials of the National Brewing Company of Baltimore for its 300 employes. The workers are paid the current wage scale, the stockholders are given 8 per cent dividends and what is left each year will be divided into three equal parts, one part being transferred to the surplus and undivided profits account owned exclusively by the stockholders), one part to stockholders in addition to their regular share being called a "labor dividend."

An official of the company explains that the size of the annual dividend of labor, as well as to capital, depends on the earnings of the company. The payment is a businesslike allotment of an earned dividend and has no bonus, charity, paternalistic or "gift" element."

The company, with the usual optimism characteristic in connection with profit-sharing schemes, expects the new plan will result in increased efficiency and greater profits to labor and a larger interest by them in the company's problems and financial success.

It is also of interest to note that the company expects to avoid a certain amount of federal taxes by the plan. Under present federal tax laws payroll costs are exempted from tax assessments and payments made to workers in the form of dividends are included in these payroll costs. It follows, according to officials of the company, that where earnings are high labor dividends actually will cost only about 50 cents on each dollar distributed, the other 50 cents representing money which would have to be paid in taxes if it were not given to the workers.

Record of Garner On Labor Measures

A. F. of L. Non-Partisan Political Campaign Committee Lists Attitude of Democratic Candidate for Vice President on Bills in Congress Affecting the Workers Since 1908.

By A. F. of L. News Service.

The thoroughness with which the American Federation of Labor compiles and preserves the records of Congressmen on labor legislation is indicated in the report of the American Federation of Labor National Non-Partisan Political Campaign Committee giving the legislative record of John N. Garner, Democratic candidate for Vice President, as a member of the House of Representatives from 1908 to 1932.

The legislative record of Mr. Garner was contained in the report of the Committee on the "Labor Planks in the Political Platforms of the Republican and Democratic Parties and the Records of the Candidates for President and Vice President," which was approved by the Executive Council of the American Federation of Labor and ordered sent to 110 national and international unions, 48 state federations of labor, 809 central labor unions and 33,000 local unions.

The report on Mr. Garner reveals that during this period 11 of his votes were in favor of labor and 16 unfavorable. He was paired unfavorable to labor on two bills, answered present on one and was recorded as not voting on five. Following is a summary of his attitude toward federal labor measures as given according to the Non-Partisan Political Committee's report:

Favorable to Labor

1908—Bill forbidding child labor in the District of Columbia.

1912—Popular election of United States Senators: literacy test immigration Restriction Bill.

1913—Sundry Civil Bill over President's veto because it contained exemption of labor from prosecution under Anti-Trust Act.

1914—Passage of Clayton Anti-Trust Bill.

1915—Palmer Child Labor Bill.

1916—Keating Child Labor Bill.

1916—Immigration Restriction Bill over President's veto.

1924—Passage of Immigration Restriction Bill.

1928—Passage of bill to protect free labor from the competition of convict-made goods; passage of Bill providing for differential pay for night work in postal service over President's veto.

Unfavorable to Labor

1913—Workmen's Compensation Bill.

1914—Increase appropriation for Children's Bureau.

1915—Immigration restriction over President's veto.

1916—Adverse amendment to increase hours of service of government employes; motion to strike out Warren amendment prohibiting vicious stopwatch and bonus systems from Fortification Bill; increase in wages for government employes.

1916—Lunn amendment to War Material Bill recognizing the right of workmen to cease work.

1919—Appropriation for United States Employment Bureau, Department of Labor; final passage of Nolan #3 Minimum Wage Bill; motion by Nolan to strike out anti-trust provisions favorable to labor in first Deficiency Bill.

1920—Retirement Bill—objectionable motion excluding members of organized labor from its benefits; final passage of Civil Service Retirement Bill.

1922—Passage of Workmen's Compensation Bill for District of Columbia.

1924—Passage of Child Labor Amendment to the Constitution of United States.

1926—Passage of bill abolishing Railroad Labor Board and providing for collective bargaining.

1928—La Guardia amendment providing for wage increases for underpaid government employes.

Paired Unfavorable to Labor

1913—Final passage of Nolan #3 Minimum Wage Bill.

1919—Vocational rehabilitation of cripples in industry.

Not Voting

1916—Government employes' compensation for injuries.

1919—To raise $120 bonus for government employes to $240.

1921—Nolan amendment to Seamen's Bill limiting the hours of oilers, watertenders and firemen to eight out of 24 instead of 12.

1922—Extension of 3 per cent Immigration Act of May 19, 1921, to June 30, 1924. Acceptance of conference report.

1924—Motion to concur in obnoxious recommendation of committee of the whole Senate out of section clause in Howell-Barkley Railroad Bill.

Answered Present

1914—Final vote on Immigration Restriction Bill with literacy test.

On December 7, 1931, Mr. Garner was elected Speaker of the House of Representatives, which office he held until November 8, 1932. During 1932 the following labor measures were considered by the House of Representatives, without Speaker Garner recording his vote:

La Guardia amendment to strike out provision in Post Office Appropriation Bill prohibiting increases in wages and the filling of vacancies; Norris-La Guardia Anti-Injunction Bill; motion to strike out objectionable sales tax provisions in Revenue Bill; passage of bill providing for Philippine independence; motion to amend Economy Bill to increase exemption in wage-cutting bill from $1,000 to $2,500; vote on motion to abolish Saturday half-holidays for government employes; McDuffie amendment to cut wages of government employes from 10 to 30 per cent.

International Labor Press Meets in Tampa Nov. 16

Springfield, Ill. (AFLNS).—The call for the annual convention of the International Labor Press of America to meet in Tampa, Fla., was issued here by Secretary R. H. Woodmansee.

"The convention will be held in the Hotel Tampa Terrace on Monday evening, November 16, for the first session and the headquarters of the association will be in the same hotel," the call said, adding: "Many of the labor editors will be delegates to the American Federation of Labor convention, which meets at the same time, and a large attendance is expected."

SUPREME COURT WILL RULE ON WAGNER ACT IN TWO TEST CASES

Agrees to Hear Arguments on the Constitutionality of Labor Relations Law in Associated Press and Coach Line Suits.

By A. F. of L. News Service.

Washington, D. C.—The assurance by the United States Supreme Court that test cases on the constitutionality of the National Labor Relations Act would be decided at the present term was given when the court accepted the Associated Press and the Washington, Virginia and Maryland Coach Company cases for argument at unnamed dates, but probably in December.

The court ordered that the Associated Press case be heard directly after the Virginia Railway Company's challenge of the constitutionality of the Railway Labor Act and that arguments in the coach company case immediately follow the Associated Press case.

Unfair Labor Practices Banned

The Labor Relations Act, which became a law in July, 1935, authorizes the Labor Relations Board to prevent a number of unfair labor practices from they affect interstate commerce. Among the unfair practices listed in the Act is as unfair labor practice for an employer:

To interfere with, restrain, or coerce employes in self-organization and collective bargaining.

To dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it.

To discriminate with regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization.

To discharge or discriminate against any employe who files charges or gives testimony under the Act.

To refuse to bargain collectively with the representatives of his employes.

Associated Press Case

The Associated Press case concerns Morris Watson, an editorial employe who was a member of the Newspaper Guild. The American Newspaper Guild filed charges with the Labor Board claiming that Watson had been discharged because of activities in connection with the Guild, and that this was an unfair labor practice under the terms of the Wagner Act.

The Labor Relations Board found the Associated Press guilty of the charge and ordered the reinstatement of Watson with lost pay.

On an appeal by the Associated Press the United Court of Appeals of the United States for the Second Judicial Circuit sustained the findings of the Board. From this decision the Associated Press appealed to the United States Supreme Court, claiming that the relation of employer and employe does not affect interstate commerce and is therefore not subject to congressional regulation.

Attorneys for the Associated Press contended the guarantee of a free press under the First Amendment to the Constitution between editorial workers and management under the conditions prescribed by the Wagner Act would destroy collective bargaining would deprive the press association of freedom of contract and would violate the Federal Constitution. These claims were denied by the Circuit Court of Appeals.

Coach Company Case

The second case accepted by the Supreme Court for argument grew out of the discharge of 18 employes of the Washington, Virginia and Maryland Coach Company, which operates buses out of Washington, D. C. The employes claim they were dismissed for joining the Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America. The National Labor Relations Board found the company guilty of the charge and ordered the reinstatement of the bus drivers. The company refused to obey the order of the Board on the ground that the Labor Relations Act was unconstitutional. It appealed the Board's decision to the United States Circuit Court of Appeals for the fourth Judicial Circuit, which sustained the Board and held that the Labor Act was constitutional. From this the Appeals Court decision the bus company appealed the case to the Supreme Court.

There are three other attacks on the Labor Relations Law filed with the Supreme Court. These are the Jones & Laughlin Steel Company suit, the Friedman-Harry Marks Clothing Company suit and the Fruehauf Trailer Company suit, on which the Supreme Court has not acted.

WINANT SCORES SCHEME TO SCUTTLE SECURITY

Washington, D. C. (AFLNS).—John G. Winant, former chairman of the Social Security Board, in a vigorous radio address here condemned the "misleading" information which the so-called Social Security Act inserted in workers' pay envelopes and placed on sale at banking houses by employers.

Asserting that these various notices carried the impression that deductions will be made from the workers' pay beginning January 1, 1937, to finance the cost of the social security program, Mr. Winant said:

"The statements are either misleading as to the amount of the tax that will be paid, or actually misstate the amount that will be paid. Even worse, worse, they are completely silent or cast doubt upon the benefits which the act provides. This is a result of these payments. Some of the inserts go so far as to suggest that the government may not live up to its promise—that Congress will abolish the old-age annuity.

"This sort of propaganda is shoddy politics. It is dishonest. It does not give a square deal to the worker; it is not fair play; it is inconsistent with the purpose of democratic government; it is un-American.

"Any one who engages in a worker's pay envelope is coercion. It is a new form of the old threat to shut down the plant if the employers candidate isn't elected. We are supposed to be beyond that in this country."

Mr. Winant declared that the propaganda has been carried on by employers, that a Federal tax will be deducted from their wages starting January 1 was issued by the Social Security Board here.

The notices characterized as misleading and containing misstatements regarding the amount of the tax. In addition, the notices ignore the fact that employers pay an equal amount as their employes and do not mention the benefits which the workers will receive when they reach the retirement age.

According to information received here, many employers, particularly in the automobile-producing centers, have been cooperating with certain political organizations in distributing campaign material of this subversive type to their employes.

Some workers have received their wages in envelopes on which the following notice is printed:

"PAY DEDUCTION — Effective January, 1937, we are compelled by a Massachusetts State law to make a 1 per cent deduction from your pay beginning in January for government. Finally this may go as high as 4 per cent. You might get this money back in future years . . . but only if Congress decides to make the appropriation for this purpose. Vote Nov. 3—Election Day—Whether or not you wish to take these chances."

Security Board's Statement

The Social Security Board's statement denying the truth of the propaganda and explaining the actual provisions and benefits of the old-age annuity plan was issued by John J. Altmeyer, acting chairman of the Board. The text of the statement follows:

"The Social Security Board has received from many parts of the country copies of posters, bulletins, and pay envelope inserts warning workers that a Federal tax will be deducted from their pay beginning January 1, 1937.

"The Board has received also, by longdistance telephone, telegraph, letter and in person, numerous protests and complaints concerning these materials and the manner of their use together with inquiries as to the degree of their accuracy and authenticity.

"The statements are nearly all either misleading as to the amount of tax that will be paid, or actually mis-state the amount of tax that will be paid. They make no mention of the fact that the employer is also required to pay a tax.

"Even worse, they are completely silent about the benefits which are entitled benefits that will be payable to workers. Some of these statements go so far as to suggest that the government may not live up to its promise to pay these benefits when due.

"Undoubtedly, many of the employers involved have been misinformed as to the facts. Some are even laboring under the impression that these are official statements issued by the government which they are required to distribute.

Monthly Benefits Begin at 65 Years

"The facts are that the Federal old-age benefit provisions of the Social Security Act goes into effect January 1, 1937, and under these provisions a Federal old-age benefit plan is being set up whereby workers will build up rights to the payment of certain monthly benefits beginning at age 65 in proportion to the wages they have earned after that time.

"These benefits will always amount to more than the worker has paid in taxes, no matter how young the worker was when he started paying taxes and no matter how high his wages have been during the time he has paid taxes.

"Moreover, every worker eligible—and it is estimated that 26 million will be eligible at the outset—will receive a monthly retirement benefit upon reaching the age of 65 larger than he could purchase from a life insurance company with the taxes he will have paid the government.

"These monthly benefits will range from $10 to $85 a month. If a worker dies before reaching age 65 a lump sum payment is made to his family. This lump sum will amount to 3½ per cent of the total wages he has earned after 1936. If he dies after reaching age 65 before he has drawn out monthly benefits amounting to 3½ per cent his family will receive the balance of the 3½ per cent.

"The tax that the employe must pay amounts to only 1 per cent for the first three years and does not reach the maximum of 3 per cent until 1949.

Pensions Compared with Workers' Tax

"Several concrete examples will best illustrate how much the monthly benefit will be. Let us first take the case of a young man, 25 years of age, who enters the system on January 1, 1937, and remains in the system for 30 years. If he earned an average of $100 per month during that period he would receive a monthly pension of $42.50 for the remainder of his life.

"Now, let us take the case of an older person who was 60 years of age when he entered the system on January 1, 1937, and who earns an average monthly wage of $100. When he retires five years later he will receive a monthly pension of $17.50.

"The young man, during the course of his life, will have paid taxes of $900, and his employer would have been taxed $900, but if he lives out a normal life expectancy he would receive benefits of $6,000.

"The older man would have been taxed only $72 and his employer an equal sum, but he would receive in benefits if he lives out his normal life expectancy, a total of $82,500.

No Pauper Test Required

"The misleading statements that are being circulated by employers and even on plant bulletin boards fail to mention that these benefits are a matter of right, regardless of the amount of property or income a worker may have.

"A worker is not required to show that he is in need and without relatives who can support him at the time in the case of state old-age pensions.

"The Social Security Act not only provides a basic protection for those who have already aged and in need, but also provides for the future a means of respecting system of old-age security on a nation-wide basis which is designed to encourage individual thrift by keying the benefits to the wage-earning history of the worker.

"A most important fact in the significant fact is that for the first time in America it is possible for workers to build up in an orderly fashion and under government protection some degree of financial independence for their old age in direct proportion to their earnings and not as charity.

"As regards taxes the important facts to bear in mind are that the workers will pay only 1 per cent for the first three years and never more than 3 per cent and that the tax is matched by an equal tax paid by employers."

WOLL OPPOSES NAZI USE OF U. S. RADIO CHAINS

Labor Chest Chairman Scores Plan to Have Hitler's Youth Organization Propaganda Broadcast in America.

By A. F. of L. News Service.

New York, N. Y.—Sharp disapproval of any attempt to bring Nazi propaganda to the United States by means of the facilities of broadcasting was voiced here in a letter by Matthew Woll, third vice president of the American Federation of Labor and chairman of the Labor Chest for Relief and Liberation of Workers of Europe, in the name of the National Broadcasting Company, the Columbia Broadcasting System and the American Broadcasting System.

Mr. Woll's letter referred to a recent New York Times dispatch from Berlin, which announced the conclusion of an agreement between the Nazi youth movement of Germany and a leading American broadcasting chain for transmission of Germany youth propaganda to America.

The text of Mr. Woll's letter follows:

"A New York Times dispatch of October 26 reports the conclusion of pacts between the Hitler Youth organization of Germany and a leading broadcasting chain in the United States, whereby the coordinated Nazi youth movement will conduct a series of broadcasts in America during the coming winter months. An exchange of youth broadcasts between America and Germany is also contemplated.

Ban on Hitlerism Urged

"Unfortunately the identity of the radio network has as yet not been disclosed.

"It seems necessary however in the public interest to make labor's position in regard to this matter absolutely clear. We register our disapproval of any attempt to bring Nazi propaganda to the United States by means of American radio facilities.

"Such attempts can only redound to the benefit of the Hitler dictatorship and will be an effective help to international Nazi and Fascist propaganda.

"The American Federation of Labor and its affiliated organizations have repeatedly gone on record as condemning Fascism, Nazism, Communism and all other forms of dictatorship.

"The damages done by Nazism to democracy, organized labor, and civil as well as religious liberties are well known.

"It is with these facts in mind that we protest most vigorously against the contemplated contamination of American youth with Nazi ideas. We sincerely hope and trust that your organization is not involved in the reported arrangement and that it will refuse to support any such undemocratic and anti-American schemes."

Security Board Assails Untruths About Federal Old-Age Pensions

Wage Deduction Warnings Placed in Pay Envelopes by Employers—Called Misleading—Chairman Altmeyer Charges Slips Misstate Amount of Tax and Do Not Mention Levy on Employers.

By A. F. of L. News Service.

Washington, D. C.—Strong condemnation of employers' warnings to workers, inserted in pay envelopes and displayed on posters, that a Federal tax will be deducted from their wages starting January 1 was issued by the Social Security Board here.

The notices characterized as misleading and containing misstatements regarding the amount of the tax. In addition, the notices ignore the fact that employers pay an equal amount as their employes and do not mention the benefits which the workers will receive when they reach the retirement age.

According to information received here, many employers, particularly in the automobile-producing centers, have been cooperating with certain political organizations in distributing campaign material of this subversive type to their employes.

Some workers have received their wages in envelopes on which the following notice is printed:

"PAY DEDUCTION — Effective January, 1937, we are compelled by a Massachusetts State law to make a 1 per cent deduction from your pay beginning in January for government. Finally this may go as high as 4 per cent. You might get this money back in future years . . . but only if Congress decides to make the appropriation for this purpose. Vote Nov. 3—Election Day—Whether or not you wish to take these chances."

Security Board's Statement

The Social Security Board's statement denying the truth of the propaganda and explaining the actual provisions and benefits of the old-age annuity plan was issued by John J. Altmeyer, acting chairman of the Board. The text of the statement follows:

"The Social Security Board has received from many parts of the country copies of posters, bulletins, and pay envelope inserts warning workers that a Federal tax will be deducted from their pay beginning January 1, 1937.

"The Board has received also, by long-distance telephone, telegraph, letter and in person, numerous protests and complaints concerning these materials and the manner of their use together with inquiries as to the degree of their accuracy and authenticity.

"The statements are nearly all either misleading as to the amount of tax that will be paid, or actually mis-state the amount of tax that will be paid. They make no mention of the fact that the employer is also required to pay a tax.

"Even worse, they are completely silent about the benefits which are entitled benefits that will be payable to workers. Some of these statements go so far as to suggest that the government may not live up to its promise to pay these benefits when due.

"Undoubtedly, many of the employers involved have been misinformed as to the facts. Some are even laboring under the impression that these are official statements issued by the government which they are required to distribute.

Monthly Benefits Begin at 65 Years

"The facts are that the Federal old-age benefit provisions of the Social Security Act goes into effect January 1, 1937, and under these provisions a Federal old-age benefit plan is being set up whereby workers will build up rights to the payment of certain monthly benefits beginning at age 65 in proportion to the wages they have earned after that time.

"These benefits will always amount to more than the worker has paid in taxes, no matter how young the worker was when he started paying taxes and no matter how high his wages have been during the time he has paid taxes.

"Moreover, every worker eligible—and it is estimated that 26 million will be eligible at the outset—will receive a monthly retirement benefit upon reaching the age of 65 larger than he could purchase from a life insurance company with the taxes he will have paid the government.

"These monthly benefits will range from $10 to $85 a month. If a worker dies before reaching age 65 a lump sum payment is made to his family. This lump sum will amount to 3½ per cent of the total wages he has earned after 1936. If he dies after reaching age 65 before he has drawn out monthly benefits amounting to 3½ per cent his family will receive the balance of the 3½ per cent.

"The tax that the employe must pay amounts to only 1 per cent for the first three years and does not reach the maximum of 3 per cent until 1949.

Pensions Compared with Workers' Tax

"Several concrete examples will best illustrate how much the monthly benefit will be. Let us first take the case of a young man, 25 years of age, who enters the system on January 1, 1937, and remains in the system for 30 years. If he earned an average of $100 per month during that period he would receive a monthly pension of $42.50 for the remainder of his life.

"Now, let us take the case of an older person who was 60 years of age when he entered the system on January 1, 1937, and who earns an average monthly wage of $100. When he retires five years later he will receive a monthly pension of $17.50.

"The young man, during the course of his life, will have paid taxes of $900, and his employer would have been taxed $900, but if he lives out a normal life expectancy he would receive benefits of $6,000.

"The older man would have been taxed only $72 and his employer an equal sum, but he would receive in benefits if he lives out his normal life expectancy, a total of $82,500.

No Pauper Test Required

"The misleading statements that are being circulated by employers and even on plant bulletin boards fail to mention that these benefits are a matter of right, regardless of the amount of property or income a worker may have.

"A worker is not required to show that he is in need and without relatives who can support him at the time in the case of state old-age pensions.

"The Social Security Act not only provides a basic protection for those who have already aged and in need, but also provides for the future a means of respecting system of old-age security on a nation-wide basis which is designed to encourage individual thrift by keying the benefits to the wage-earning history of the worker.

"A most important fact in the significant fact is that for the first time in America it is possible for workers to build up in an orderly fashion and under government protection some degree of financial independence for their old age in direct proportion to their earnings and not as charity.

"As regards taxes the important facts to bear in mind are that the workers will pay only 1 per cent for the first three years and never more than 3 per cent and that the tax is matched by an equal tax paid by employers."

Ontario Premier Wages War On Idle Forest Concessions

Toronto, Can. (AFLNS).—A complete ban on giving away more pulp-wood concessions for government forests was announced by Premier Hepburn of Ontario in explaining the policy of the Ontario government of leasing concessions without calling for tenders. He declared that in the past certain groups had received large areas of pulp wood land of it a present while idle pulping hundreds of thousands of acres where there had never been an outlet.

He asserted that "these people have tied up the north country, but, taking advantage of the fact that the presidents were going to open it up," adding:

"We have no desire to give away the concessions from those who have been holding them so long and we are issuing them to operators who will really cut the wood and give employment. They are paying us $1.50 per cord on yearly permits, and if they don't operate then we shall simply transfer the areas to someone else who will."

Trenton Doll Workers' Union Wins Pay Increase Agreement

Trenton, N. J. (AFLNS).—The strike of doll workers against the Doll Corporation, members of Federal Labor Union No. 18247 of Trenton, was settled on an agreement providing for wage increases and other union conditions, according to Lewis G. Hines, representative of the American Federation of Labor. The conference which shaped the settlement was called at the request of Mr. Hines, and was attended by company officials and a large committee representing the workers.

The main issue of the strike was the union's insistence that the company sign the same type of agreement as had been signed with the union in New York City.

"Everybody seemed well pleased with the outcome, and I am happy that we were able to successfully terminate the situation," Mr. Hines said.